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THE WHITE HOUSE

WASHINGTON

November 10, 1981

LUNCH WITH RICHARD RICHARDS AND LYN NOFZIGER

DATE: November 13, 1981

LOCATION: Oval Office

TIME: 12:00 Noon

FROM: Lyn Nofziger



I. PURPOSE

To discuss current political issues.

II. BACKGROUND

Update of New Jersey election results and 1982 RNC plans will be reviewed.

III. PARTICIPANTS

Richard Richards
Lyn Nofziger

IV. PRESS PLAN

No press coverage.

CABINET COUNCIL ON HUMAN RESOURCES

PARTICIPANTS

November 13, 1981

The President

The Secretary of Health and Human Services

The Attorney General

The Secretary of Agriculture

The Secretary of Labor

The Secretary of Education

The Counsellor to the President

The Deputy Secretary of Transportation

The Deputy Secretary of Energy

Martin Anderson

Bob Carleson, Executive Secretary

For Presentation:

Ed Harper

Hal Steinberg

Don Moran

Gary Jones

Brad Reynolds

Richard Darman

Max Friedersdorf

Craig Fuller

Jim Cicconi

Jim Jenkins

Alan Holmer

Pete Roussel

Kenneth Cribb, Jr.

Ed Gray

Rich Beal

Dan Murphy

Lyn Nofziger

THE WHITE HOUSE

WASHINGTON

November 12, 1981

"PM MAGAZINE" TAPING WITH KATHY OSBORNE

DATE: Friday, November 13, 1981
LOCATION: The Oval Office
TIME: 2:30 p.m. (five minutes)
FROM: Karna Small *JS*

I. PURPOSE

To provide television footage for feature story on Kathy Osborne, being produced by the "PM Magazine" crew of KXTV, Sacramento. The idea is to show Kathy on the job with her boss, so the crew will want shots of the two of you talking, Kathy bringing papers to your desk, taking notes, and so on.

II. BACKGROUND

"PM Magazine" producer David Mozes is planning to tell a story about a Sacramento woman with one of the most interesting jobs in the country. He wrote to Kathy asking if she would be willing to be his subject, and she agreed. The story will center around an interview with Kathy about her work, and will likely be picked up by "PM Magazine" outlets across the country.

III. PARTICIPANTS

The President
Kathy Osborne
David Mozes
Gary Labrie
Roger Lindberg
George Davis
Paul Shain
Sue Mathis

IV. PRESS PLAN

TV crew from KXTV

V. SEQUENCE OF EVENTS

The President will enter the Oval Office and proceed to his desk. Kathy Osborne will bring papers to him, chat with him and take notes for the cameras. The President will be asked to comment on his secretary's performance.

VI. REMARKS

No formal remarks are necessary, but it would be most appreciated if the President could make reference to any amusing story about Kathy and her work he may recall.

THE WHITE HOUSE

WASHINGTON

MEMORANDUM

TO: Schedule Distribution List
FROM: Gregory ~~W~~ Newell
DATE: November 13, 1981.
SUBJ: The President's Schedule

Please note the following change in today schedule:

3:40 pm Depart for Texas for events in Houston and
San Antonio (see separate schedule)

South Grounds

November 12, 1981
5:00 pm

THE WHITE HOUSE
WASHINGTON
THE PRESIDENT'S SCHEDULE
Friday, November 13, 1981

9:00 am (30 min)	<u>Staff Time</u>	Oval Office
9:30 am (15 min)	<u>Senior Staff Time</u>	Oval Office
9:45 am (45 min)	<u>Personal Staff Time</u>	Oval Office
10:30 am (15 min)	<u>Meeting with Sen. John Stennis (D-Miss) (Max Friedersdorf)</u>	Oval Office
10:45 am (15 min)	<u>Meeting with the UN High Commissioner for Refugees, Poul Hartling (Richard V. Allen)</u>	Oval Office
11:15 am (5 min)	<u>Brief Meeting with Cong. James Hansen (R-Utah) (Max Friedersdorf)</u>	Oval Office
11:30 am (15 min)	<u>Meeting with Sen. Arlen Specter (R-Pa) (Max Friedersdorf)</u>	Oval Office
12:00 m (60 min)	<u>Lunch with Mr. Richard Richards and Mr. Lyn Nofziger (Lyn Nofziger)</u>	Oval Office
1:30 pm (60 min)	<u>Meeting with the Cabinet Council on Human Resources (Craig Fuller)</u>	Cabinet Room
2:30 pm (5 min)	<u>Photo with Kathy Osborne</u>	Oval Office
2:35 pm (1hr45min)	<u>To the Residence for Personal Staff Time</u>	Residence
4:20 pm	<u>Depart for Texas for events in Houston and San Antonio (see separate schedule) (Stephen Studdert)</u>	South Grounds

Sunday, November 15, 1981

7:20 pm	<u>The President returns from Texas trip</u>	South Grounds
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THE WHITE HOUSE
WASHINGTON
THE PRESIDENT'S SCHEDULE
Friday, November 13, 1981

9:00 am (30 min)	<u>Staff Time</u> (Baker, Meese, Deaver)	Oval Office
9:30 am (15 min)	<u>Senior Staff Time</u>	Oval Office
9:45 am (45 min)	<u>Personal Staff Time</u>	Oval Office
10:30 am (15 min)	<u>Meeting with Sen. John Stennis (D-Miss)</u> (Max Friedersdorf) (TAB A)	Oval Office
10:45 am (15 min)	<u>Meeting with the UN High Commissioner for Refugees, Poul Hartling</u> (Richard V. Allen) (TAB B)	Oval Office
11:15 am (5 min)	<u>Brief Meeting with Cong. James Hansen (R-Utah)</u> (Max Friedersdorf) (TAB C)	Oval Office
11:30 am (15 min)	<u>Meeting with Sen. Arlen Specter (R-Pa)</u> (Max Friedersdorf) (TAB D)	Oval Office
12:00 m (60 min)	<u>Lunch with Mr. Richard Richards and Mr. Lyn Nofziger</u> (Lyn Nofziger) (TAB E)	Oval Office
1:30 pm (60 min)	<u>Meeting with the Cabinet Council on Human Resources</u> (Craig Fuller) (TAB F)	Cabinet Room
2:30 pm (5 min)	<u>Photo with Kathy Osborne</u> (TAB G)	Oval Office
2:35 pm (1hr45min)	<u>To the Residence for Personal Staff Time</u>	Residence
4:20 pm	<u>Depart for Texas for events in Houston and San Antonio (see separate schedule)</u> (Stephen Studdert) (TAB H - DRAFT REMARKS)	South Grounds

Sunday, November 15, 1981

7:20 pm	<u>The President returns from Texas trip</u>	South Grounds
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A

THE WHITE HOUSE

WASHINGTON

MEETING WITH SENATOR JOHN C. STENNIS (D-MISSISSIPPI)

DATE: Friday, November 13, 1981
LOCATION: The Oval Office
TIME: 10:30 - 10:45 a.m. (15 minutes)
FROM: Max L. Friedersdorf 

I. PURPOSE

To respond to a request from Senator Stennis for this meeting and to gain his cooperation in connection with Senate review of your strategic decisions.

II. BACKGROUND

Senator Stennis requested this meeting as a follow-up to your conversation with him last weekend. You spoke to him last Friday to encourage his support for the MX Missile and B-1 Bomber in the Defense Subcommittee of the Senate Appropriations Committee. He promised to call you back for additional discussion of these subjects, but was unable to because he was admitted to Walter Reed Army Medical Center with a high fever and a virus. He was back in the office on Thursday when he requested this meeting.

He has expressed concern over the reception your strategic decisions are having on the Hill and he would like to speak to you about them. His support is important because of current indications that some Democrats could make the MX and the B-1 a partisan issue. You will recall that Senator Tower said at the leadership meeting today that it would be difficult to count as many as a half-a-dozen Democratic votes in the Senate supporting the B-1 and Senator Garn expressed his concern that these issues are receiving partisan treatment by the Democrats.

Senator Stennis has been a strong supporter on national security issues of Republican Presidents with whom he has served (Eisenhower, Nixon, and Ford). His support was particularly crucial when Presidents Nixon and Ford were here because he was Chairman of the Senate Armed Services Committee. During this period he led the fight against members of his own party, who were trying to restrict the ability of Presidents Nixon and Ford to deal with the situation in Southeast Asia.

Funding for the MX and B-1 will be before the Senate Appropriations Committee next Tuesday. Senator Stennis is this committee's senior Democrat and ranking minority member of its Defense Subcommittee and his support is needed. Stennis' support as ranking minority member of the Senate Armed Services Committee will also be extremely important when this committee considers a resolution of disapproval concerning the MX and the B-1.

III. PARTICIPANTS

The President
The Vice President
Senator Stennis

Staff

Richard Allen
Max Friedersdorf

IV. PRESS PLAN

White House photographer only. Comments by Senator Stennis on the driveway following the meeting.

V. SEQUENCE OF EVENTS

Senator Stennis enters the Northwest Gate and proceeds to the West Lobby and then to the Oval Office.

Attachment: Talking Points

TALKING POINTS FOR MEETING WITH
SENATOR JOHN STENNIS

- Express concern about his recent illness and wish him a speedy and complete recovery.
- This meeting is at his request and you should primarily listen to his views on the B-1 and MX.
- Discuss prospects for Senate action on your strategic decisions including consideration by the Armed Services Committee, the Appropriations Committee and the full Senate.
- Encourage his advice on legislative strategy.

B

THE WHITE HOUSE
WASHINGTON

November 12, 1981

MEMORANDUM FOR THE PRESIDENT

FROM: RICHARD V. ALLEN *ok*

SUBJECT: Your Meeting with Mr. Poul Hartling, UN High Commissioner for Refugees, Friday, November 13 at 10:45 A.M., Oval Office

Mr. Hartling -- UN High Commissioner for Refugees and former Prime Minister of Denmark -- will meet you and express thanks for US support (\$133.5 million in FY 81). He may note his recent trip to Pakistan. Mike Guhin of my staff will also sit in.

Hartling is attending the UN General Assembly in New York. Earlier this month he met with Attorney General Smith, Ambassador Stoessel and your recent nomination for US Coordinator for Refugee Affairs, Eugene Douglas. You sent Hartling a message of congratulations when his office received the 1981 Nobel Peace Prize.

Talking Points

- I am pleased to congratulate you in person and your office for the 1981 Nobel Peace Prize. Your office deserved this recognition for the outstanding efforts it has made for refugees everywhere.
- We are pleased to be able to provide this support for your refugee programs (\$133.5 million in FY 81).
- We appreciate your leadership, particularly for refugee programs in Southeast Asia, Pakistan, and Africa.

State's memo with additional background information is available upon request.

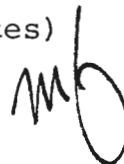
C

THE WHITE HOUSE

WASHINGTON

MEETING WITH CONGRESSMAN JIM HANSEN (R-UTAH)

DATE: NOVEMBER 13, 1981
PLACE: THE OVAL OFFICE
TIME: 11:15 a.m. (5 minutes)
FROM: MAX L. FRIEDERSDORF



I. PURPOSE

To have a photo opportunity and to receive a letter from Congressman Hansen (R-Utah), signed by 160 Members of Congress, urging the appointment of a Presidential Commission regarding the drinking driver.

II. BACKGROUND

During this first year as a Member of Congress, Jim Hansen has suffered two serious automobile accidents involving drinking drivers. In the second accident, his wife, daughter, and son were injured. Hansen has spearheaded a Congressional effort to force federal and state governments to take strong measures to solve the problem of drinking drivers.

Approximately 160 Members of Congress have signed a letter asking that the President appoint a Presidential Commission to develop a realistic national master plan to help curtail the drinking driver epidemic and to encourage every Governor to establish a task force to deal with this issue at the state and local levels.

This year, 26,000 people are expected to be killed by drinking drivers, thousands more injured. Solving the drinking driver problem requires an integrated effort by all levels of government and society. Establishment and enforcement of drunk driving laws is a State prerogative. The Federal role, administered by the Department of Transportation, (National Highway Traffic Safety Administration) is an indirect and supporting function.

Congressman Jim Hansen represents the eastern half of Utah, including Ogden and Provo. He has been a strong supporter of the Administration and serves on the Interior and Insular Affairs and Standards of Official Conduct Committees. His experience as an insurance executive and as a member of the Utah House has also heightened his awareness of the drinking driving problem.

III. PARTICIPANTS

The President
Congressman Jim Hansen

Staff

Kenneth M. Duberstein

IV. PRESS PLAN

White House Photographer only.

V. SEQUENCE OF EVENTS

No specific agenda.

Attachment: Talking Points

ATTACHMENT

SUGGESTED TALKING POINTS FOR MEETING
WITH CONGRESSMAN JIM HANSEN

- Acknowledge that the drinking driver is a serious problem.
- Express your concern that Jim Hansen was this year involved in two automobile accidents involving drinking drivers. His wife, son, and daughter were injured in one of the accidents.
- Recognize that solving this problem requires an integrated effort by all levels of government and society.
- Point out that establishment and enforcement of driving laws is a State prerogative -- but that the Department of Transportation provides strong support for State and local efforts.
- Indicate that you will talk with Drew Lewis about the Congressional letter calling for a national commission.

D

THE WHITE HOUSE

WASHINGTON

MEETING WITH SENATOR ARLEN SPECTER (R-PA)

DATE: Friday, November 13, 1981
LOCATION: Oval Office
TIME: 11:30 a.m. (15 minutes)
FROM: Max L. Friedersdorf 

I. PURPOSE

To discuss Senator Specter's views on crime and in particular his approach to the "Career Criminal" problem.

II. BACKGROUND

Senator Specter is Chairman of the Subcommittee on Juvenile Justice of the Senate Judiciary Committee. As a former District Attorney in Philadelphia he had experience in the career criminal problem and has introduced legislation, (S. 1688 The Career Criminal Life Sentence Act) which articulates his position in correcting this problem.

As drafted S. 1688 creates federal jurisdiction for the prosecution of persons charged with committing a robbery or burglary with the use of a firearm where such persons have at least two prior felony burglary and/or robbery convictions. The bill provides for the application of more restrictive bail provisions for persons charged under this Act, and requires the imposition of a mandatory, non-suspendible life sentence upon conviction of such "career criminals." The bill expresses the Congressional intent that federal criminal prosecutions should be undertaken pursuant to this Act only where the Attorney General or a United States Attorney determines, after consultation with appropriate state and local authorities, that there is a significant federal interest in the case and that state authorities are unlikely to secure a life sentence.

A number of your staff, including Ed Meese and Fred Fielding, have discussed the bill at length. They have reservations and would recommend that you oppose its enactment as it is currently drafted.

Senator Specter and his staff have actively been seeking support for the bill on the Hill and elsewhere. In this meeting the Senator is expected to want to get into more than a superficial discussion of the issues.

III. PARTICIPANTS

The President
Attorney General William French Smith
Senator Arlen Specter

Staff

Ed Meese
Fred Fielding
Max Friedersdorf

Regrets

The Vice President

IV. PRESS PLAN

White House Photographer

V. SEQUENCE OF EVENTS

Senator Specter will enter the Northwest Gate into the West lobby and be escorted into the Oval Office.

SUGGESTED TALKING POINTS FOR MEETING WITH
SENATOR ARLEN SPECTER

- I appreciate the work that you are doing in this area. Your past experience as a big city (Philadelphia) district attorney certainly qualifies you as an expert on the career criminal problem. I am proud that we have a Republican Senator who is willing to invest his efforts in correcting this considerable problem.
- I want to assure you that I support the goal of using existing resources to target the career criminal and prevent him from continually disrupting and endangering the lives of innocent citizens.
- I want to tell you as well, though, that I have some concern about the budgetary impact on the Federal penal system because of the cumulative effect of the life sentences that would be imposed under your bill.
- I am also advised that some of our people have some technical and substantive problems with your bill as it is currently drafted.
- I would also hope that your proposal would be coordinated with the effort over at the Department of Justice to reform the Federal Criminal Code and to implement the recommendations of the Attorney General's Task Force in Violent Crime.
- I would hope that we could continue to work to resolve those differences. I would like very much to eventually be able to enthusiastically support your bill.

E

THE WHITE HOUSE

WASHINGTON

November 10, 1981

LUNCH WITH RICHARD RICHARDS AND LYN NOFZIGER

DATE: November 13, 1981

LOCATION: Oval Office

TIME: 12:00 Noon

FROM: Lyn Nofziger



I. PURPOSE

To discuss current political issues.

II. BACKGROUND

Update of New Jersey election results and 1982 RNC plans will be reviewed.

III. PARTICIPANTS

Richard Richards
Lyn Nofziger

IV. PRESS PLAN

No press coverage.

THE WHITE HOUSE

WASHINGTON

November 9, 1981

MEETING WITH THE CABINET COUNCIL
ON HUMAN RESOURCES

DATE: November 13, 1981

LOCATION: Cabinet Room

TIME: 1:30 (60 min.)

FROM: CRAIG L. FULLER

I. PURPOSE

The Cabinet Council on Human Resources is meeting to review the plan for dismantling the Department of Education.

II. BACKGROUND

A Task Force has been working on the details of dismantling the Department of Education for several weeks. The plan presented is one developed jointly by OMB and Education.

The basic dismantling options considered were:

1. form a National Education Foundation to provide selected school-based programs;
2. disperse functions, programs and personnel to other departments and agencies;
3. merge the Department of Education back into the Department of Health and Human Services.

Those within the Administration working on this project have tended to favor the Foundation approach. The Foundation would report to the President and retain responsibility for school-based programs and financial assistance programs such as: enacted block grants; compensatory programs for disadvantaged children; developing colleges (particularly black institutions); student assistance (grants and loans); research; and, civil rights activities.

A number of other responsibilities would be transferred to other departments and agencies (see page 6) and still other responsibilities would be terminated (see page 7).

The decision memo prepared for this meeting asks you to approve or reject:

1. the creation of the Foundation,
2. the proposed transfer of programs,
3. the proposed termination of programs.

Because these recommendations were finalized over the weekend, most of the White House staff as well as Cabinet members have had little time to react to the proposal.

While Education and OMB are ready to move forward on this proposal, it is desirable to refrain from making a final decision at the meeting to allow time for review by your Cabinet and your staff as well as to allow for the appropriate congressional consultations.

III. PARTICIPANTS (to be provided)

IV. PRESS PLAN (White House photographer only)

V. SEQUENCE

Once the meeting is called to order, Education Secretary Ted Bell will be prepared to present the proposal.



THE SECRETARY
WASHINGTON, D.C. 20202

November 9, 1981

MEMORANDUM FOR THE PRESIDENT:

As was agreed last January, I am pleased to transmit my recommendations for dismantling of the Department of Education. The attached options paper outlines the rationale for our recommendations and provides an evaluation of the various options that we considered.

I look forward to discussing our proposals in more detail at the Cabinet Council on Human Resources meeting scheduled for November 10.

A handwritten signature in cursive script, appearing to read "T. H. Bell", is positioned above the printed name.

T. H. Bell

Attachment

DISMANTLING THE DEPARTMENT OF EDUCATION

Material for Review

by the

Cabinet Council on Human Resources

Tuesday, November 10, 1981

BACKGROUND

The genius of American education is defined by local and popular control, diversity, open access, and pragmatic adaptation to problems. These principles, to which the American people are deeply attached, have served our country well. Nonetheless, the Federal Government, concerned about the Nation's research capabilities, the lack of equal educational opportunities and for other reasons, intruded into the educational arena. While this imposition started slowly with the providing of aid and assistance and a distant involvement in curriculum, it soon grew into the intrusiveness of establishing educational requirements and supplanting local priorities. The establishment of the Department of Education in 1980 marked the zenith of the intrusiveness.

The Federal Government's role in education should be limited. It should recognize that education begins in the home and that even state and local officials exist only to help families fulfill their responsibility to provide for the education of their children; that excellence demands competition and, while we have an obligation to help those that fall behind, without a race there is no winner; and that diversity is absolutely essential to the American way of life and is one of our strengths.

The issue is how do we achieve this nonintrusive role for the Federal Government in education and fulfill the President's pledge to dismantle the Department of Education.

DISMANTLEMENT OPTIONS

The two most viable options for abolishing the Department of Education are to:

- (1) establish a National Education Foundation to include selected school-based programs or
- (2) disperse all functions, programs and personnel to other Departments and Agencies.

Two other options are possible, but they have been dropped from consideration following further consideration by Secretary Bell, OMB, and others. They are to merge the Department of Education functions with the Department of Health and Human Services or create an independent line agency to house the education functions.

OPTION 1 -- NATIONAL EDUCATION FOUNDATION

Legislation would be proposed to abolish the Department and replace it with a sub-Cabinet entity to be called the National Education Foundation (or a similar name). The responsibilities assigned to the Foundation would involve school-based programs and assistance.

The Foundation would administer the following:

- Block grants for state and local education agencies.
- Student grants and loans.
- Support for equal educational opportunity (compensatory) programs.
- A core of continuing information, statistical, and research services for education.

One of the Foundation's major responsibilities would be to identify programs that are more properly the responsibility of state and local governments. The remaining programs would be dispersed to other Federal agencies or terminated.

The Foundation would have a head appointed by the President and responsible directly to him. The Foundation would also have a nongoverning board, appointed by the President, and limited by statute to an advisory capacity.

Evaluation

The advantages of the Foundation are:

- ° Fulfills the President's commitment to abolish the Department of Education.
- ° Makes clear that the Federal role is support and assistance, not enforcement and intrusion in state and local affairs.
- ° Provides a central unit to administer existing statutes until they are changed and which is flexible enough to implement future policy changes and contraction of functions.
- ° Maintains strong direction and coordination for Administration initiatives to reform Federal involvement in education through a Presidentially appointed agency head directly accountable to the President.
- ° Is easy to implement imposing minimum costs in terms of dollars, program disruptions, and burdens to other departments.
- ° May be an acceptable alternative for 21 Senators (6 R., 15 D.) and 176 Representatives (32 R., 144 D.) up for re-election this year who voted to establish the Department.

- Provides a potentially acceptable alternative for other committee leaders and Members of Congress who voted for the Department.
- Will meet less resistance from education profession and interest groups than the other options.
- Makes transfer of selected programs to other agencies possible where there is a compelling case for doing so without damaging the underlying concept of having a non-Cabinet successor to the Department.

The disadvantages of the Foundation are:

- It would continue a centralized Federal presence in the education field with potential for future expansion by statute.
- Critics of the Department, including conservative legislators, might claim the Department has not really been eliminated only changed in name and dropped from Cabinet status.
- A legislative proposal to create a Foundation with an advisory board, rather than a governing board, risks an amendment which would substitute a governing board with members whose term of office extend beyond that of the President.

OPTION 2 -- DISPERSE ALL FUNCTIONS, PROGRAMS AND PERSONNEL

Legislation would be proposed to abolish the Department and transfer its functions to other Federal departments and agencies. There would no longer be a major Federal agency whose central purpose is education.

Evaluation

The advantages of the dispersal option are:

- Dismantles the Department completely.
- Emphasizes that the Federal role is in the service educational institutions can provide in support of other Federal purposes.
- Facilitates coordination of education programs with other government programs providing related benefits for similar populations or purposes.

The disadvantages of the dispersal option are:

- It is more difficult to enact than other options because it would arouse the most intense opposition by education interests and their supporters in Congress.

- ° Results in no Presidential appointee to continue and lead the Administration's initiative of reducing the Federal intrusion into education or to oversee the interpretation, application and progressive reduction of existing regulatory and enforcement activities.
- ° Results in the absence of coherent and politically responsive leadership for the dispersed education functions and would enhance the ability of special interest groups to influence decisions and pursue their goals at lower levels of decision-making.
- ° Would be more difficult to defend because so many segments of the Federal structure, and their related interests, would be involved.
- ° Entails substantially more disruption and transition costs once enacted because of the transfer of associated personnel and other resources to new locations.

OTHER OPTIONS CONSIDERED

The merger of the Department of Education with the Department of Health and Human Services was dropped because a merger would diminish momentum toward streamlining the education functions; result in a large department with a broad span of Secretarial control encompassing many programs, issues, and congressional committee relationships competing for the Secretary's attention; increase layers of organization and perhaps confuse lines of authority and communication; prejudice the central mission of the education programs skewing budgets toward the mission of the receiving department and making coordination with agencies having other missions more difficult; create a very large and heterogeneous department confronting a wide range of highly controversial issues; and mix large entitlement programs including much of the income security net, with smaller programs supporting human development.

The creation of an independent education agency was dropped because it would signify that the Federal Government will continue to pursue its own objectives in education rather than become less intrusive. This option could be attacked as a no-real change option.

SUMMARY

The Foundation option is a more rational course to follow than the dispersal option. It is more viable in political terms because the amount and intensity of opposition will be less. It is more practical in terms of operational considerations, due to a relatively minor amount of disruption.

A majority of present incumbents in both Houses, including Chairmen Brooks and Roth of the House and Senate committees that will have jurisdiction, voted to establish the Department. They will be in a far less difficult position if they are asked to support a Foundation as opposed to total dispersal.

A Foundation, whose head would be accountable to the President, would be an effective vehicle for continuing to move to a more restricted Federal role. Achieving this goal will require knowledgeable and disciplined direction over the bureaucracy by a key appointed official who operates with direct support from the White House. These requisites would be very difficult to obtain under dispersal.

THE FOUNDATION OPTION

If the Foundation option is selected, there is a second set of decisions to be made regarding which responsibilities should be assigned to the Foundation and which should be transferred or terminated. Attachment A on page 9 compares the responsibilities of a Foundation with the Department of Education.

Responsibilities to be assigned to the Foundation

The responsibilities assigned to the Foundation would include school-based programs and financial assistance to students. They are:

- Enacted block grants: These programs include 42 categorical assistance programs now blocked in the Omnibus Budget Reconciliation Act of 1981.
- Proposed block grants and consolidations: These programs enhance vocational skills and basic skills for secondary students and adults; provide special education for handicapped persons; support recruitment, counseling and other special services for disadvantaged college students; and support institutionally administered college work study assistance, loans and grants for postsecondary students.
- Compensatory programs: These include compensatory education assistance for disadvantaged students and children with limited English speaking ability.
- "Developing colleges": This provides Federal funding for historically Black and other institutions struggling to survive.
- Student assistance: These programs provide grants to needy postsecondary students and loans to students and their parents to help meet postsecondary costs.
- Statistical and research functions: These programs support research on educational problems, collection of educational data, and improvement of postsecondary programs and services.
- Civil rights activities: These activities involve race, sex, age and language discrimination statutes.

Responsibilities to be Transferred

The following responsibilities should be transferred to the indicated departments or agencies:

- Rehabilitation services to Health and Human Services since in 28 states rehabilitation agencies are separate from education agencies, the programs are categorical in nature similar to social services in HHS, and the services are provided on an individual basis involving strong counseling functions.
- International education to International Communications Agency since the rationale for the program is long-term foreign relations.
- Special institutions, e.g., American Printing House for the Blind; National Technical Institute for the Deaf; and Gallaudet College, to Health and Human Services since they are non-Federal agencies providing services for handicapped individuals, the Federal support is provided as a permanent subsidy, they were located in HEW prior to the creation of the Department of Education, and are associated with other assistance for handicapped individual's programs.
- Impact Aid
 - . for operation payments and LEAs construction to Treasury since the payments are based on a formula for Federal aid in lieu of taxes and the transfer is similar, in type, to general revenue sharing, also administered by Treasury.
 - . for construction on Federal lands, to DOD since payments are almost entirely for construction of schools serving military facilities.
 - . for construction on Indian lands, to Interior since payments are entirely for construction of schools on Indian lands and Interior administers other assistance to schools on Indian lands.
- College housing and higher education facilities to Treasury since these are minor fund transfers involving repayments and continuing subsidies for previous awards. There is no new assistance.
- Minority institutions science improvement program to the National Science Foundation since it can be administered in conjunction with other science education efforts.
- Indian Education to Interior would complement BIA programs for education of Indians living on or near reservations with programs now in ED serving urban Indians. Would be a move toward consolidation of Indian programs Government-wide.

Responsibilities to be Terminated

The following programs would be eliminated:

- Veterans Cost of Instruction
- Aid to Land Grant Colleges
- Institute of Museum Services
- Ellender Fellowships
- Educational Outreach
- Public Service Grants and Fellowships
- Mining Fellowships
- Wayne Morse Chair for Law and Politics
- College Library Resources
- Telecommunications Demonstrations
- Law School Clinical Experience

The above programs are zero funded in the Administration's revised 1982 budget and the budget outlook does not suggest any changes in these decisions for the foreseeable future. Termination would clear these authorities from the statutes.

- National Academy of Peace and Conflict Resolution

The above program is already terminated.

- State Student Incentive Grants

The above program is an ineffective incentive for additional state student aid.

- Library Support

The above programs provide support primarily for public libraries that are a responsibility of general-purpose state and local governments. Public library expenditures were well over \$1 billion in 1974; Federal assistance is not a major factor in funding.

- Fellowships for Graduate and Professional Training and
Legal Training for the Disadvantaged

The above programs provide graduate level support of professional training for minorities (in engineering, physical and life sciences, as well as law). Graduate support is a low priority; self-financing is traditional at that level.

- Cooperative Education

The above program should be supported by joint university-business agreements, rather than Federal grants.

- Migrant High School Equivalency and Migrant College Assistance

Responsibilities for the above programs should be met by States through use of Title I migrant funds or through regular student assistance program, rather than separate categorical grants.

DECISIONS

1. STRUCTURE:

FOUNDATION (Department of Education and OMB recommendation) _____

DISPERSAL _____

2. RESPONSIBILITIES TO BE TRANSFERRED:

AGREE _____

DISAGREE _____

3. RESPONSIBILITIES TO BE TERMINATED:

AGREE _____

DISAGREE _____

Responsibilities of a Foundation
Compared with
the Department of Education

Type of Responsibility	Number of Programs in ED Jan. 20, 1981	1982 September Budget Level (\$ in millions)	1981 Program Employment Ceiling
A. Existing Block Grants (begin July, 82)	42 ^a	\$ 518.6	342
B. Block Grant and Consolidation Candidates (begin FY 1983)	32 ^b	2,640.9	504
C. Compensatory Programs	24	2,875.8	206
D. Student Assistance	2	4,597.4	650
E. Research and Statistics	4	75.3	470
F. Office for Civil Rights (excluding enforcement procedures)	<u>1</u>	<u>43.5</u>	<u>1098</u>
Subtotal, proposed National Education Foundation 105 ^c			
		\$10,751.5 ^d	3270 ^e
G. Transfers to other agencies	31	1,465.1	528
H. Terminations	<u>23</u>	<u>147.4</u>	<u>145</u>
Total, Existing Department of Education..... 159			
		\$12,363.8 ^d	3943 ^e

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- a When in full effect, 42 existing programs will be reduced to 1 block grant plus the Secretary's set-aside discretionary fund.
 - b If enacted as planned, 32 existing programs would be reduced to 4 block grants and consolidations.
 - c Block grants and consolidations, enacted and proposed, would reduce number of programs in the Foundation to 37.

d	Excluded from this list are:	<u>1982</u>
	Office of the Inspector General	\$ 11.4
	Departmental Management	216.8
	Proposed Refugee Transfer from HHS	—

- e Direct program staff only. Excludes:
 - o employees in program assistant secretaries' offices (216) and
 - o central Department staff -- Secretary, Under Secretary, General Counsel, Management, OPBE, Legislation and Public Affairs, and Intergovernmental Affairs, (1849 FTP employees).

These exclusions cover some "overhead" staff who work directly on ED programs (e.g., budget, contracts, finance, legal, etc.) but who cannot be identified at the level of detail of individual programs.

Figures are FTP ceilings for FY 1981 and total 6008 for the Department. By comparison, actual on board FTP employees totaled 5459 on October 30, 1981 and other employees on that date totaled 856.

THE WHITE HOUSE

WASHINGTON

November 12, 1981

"PM MAGAZINE" TAPING WITH KATHY OSBORNE

DATE: Friday, November 13, 1981
LOCATION: The Oval Office
TIME: 2:30 p.m. (five minutes)
FROM: Karna Small *KS*

I. PURPOSE

To provide television footage for feature story on Kathy Osborne, being produced by the "PM Magazine" crew of KXTV, Sacramento. The idea is to show Kathy on the job with her boss, so the crew will want shots of the two of you talking, Kathy bringing papers to your desk, taking notes, and so on.

II. BACKGROUND

"PM Magazine" producer David Mozes is planning to tell a story about a Sacramento women with one of the most interesting jobs in the country. He wrote to Kathy asking if she would be willing to be his subject, and she agreed. The story will center around an interview with Kathy about her work, and will likely be picked up by "PM Magazine" outlets across the country.

III. PARTICIPANTS

The President
Kathy Osborne
David Mozes
Gary Labrie
Roger Lindberg
George Davis
Paul Shain
Sue Mathis

IV. PRESS PLAN

TV crew from KXTV

V. SEQUENCE OF EVENTS

The President will enter the Oval Office and proceed to his desk. Kathy Osborne will bring papers to him, chat with him and take notes for the cameras. The President will be asked to comment on his secretary's performance.

VI. REMARKS

No formal remarks are necessary, but it would be most appreciated if the President could make reference to any amusing story about Kathy and her work he may recall.

